

117TH CONGRESS  
2D SESSION

# H. R. 7164

To modify the governmentwide financial management plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 2022

Mrs. CAROLYN B. MALONEY of New York introduced the following bill; which was referred to the Committee on Oversight and Reform

# A BILL

To modify the governmentwide financial management plan,  
and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### **3 SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “CFO Vision Act of  
5 2022”.

## **6 SEC. 2. CHIEF FINANCIAL OFFICERS; GOVERNMENTWIDE**

## **FINANCIAL MANAGEMENT PLAN.**

8       (a) CHIEF FINANCIAL OFFICER AND DEPUTY CHIEF  
9 FINANCIAL OFFICER.—Chapter 9 of title 31, United  
0 States Code, is amended—

1                             (1) in section 902(a)—

2                                 (A) in the matter preceding paragraph (1),  
3                                 by striking “An” and inserting “It shall be the  
4                                 duty and responsibility of each agency Chief Fi-  
5                                 nancial Officer to oversee and provide leader-  
6                                 ship in the areas of budget formulation and  
7                                 execution, planning and performance, risk man-  
8                                 agement, internal controls, financial systems,  
9                                 accounting, and other areas as the Director of  
10                               the Office of Management and Budget may des-  
11                               ignate. In carrying out the preceding sentence,  
12                               each”;

13                             (B) in paragraph (3)—

14                                 (i) in subparagraph (C), by inserting  
15                                 “areas and” before “systems”; and

16                                 (ii) in subparagraph (D)—

17                                 (I) in clause (iii), by striking  
18                                 “and” at the end;

19                                 (II) in clause (iv), by striking  
20                                 “performance;” and inserting “per-  
21                                 formance and integration of perform-  
22                                 ance and cost information; and”; and

23                                 (III) by adding at the end the  
24                                 following:

1                         “(v) annual agency financial state-  
2                         ments prepared in accordance with United  
3                         States generally accepted accounting prin-  
4                         ciples;”;

5                         (C) by redesignating paragraphs (5), (6),  
6                         (7), and (8) as paragraphs (6), (7), (8), and  
7                         (10) respectively;

8                         (D) by inserting after paragraph (4) the  
9                         following:

10                         “(5) prepare, in consultation with financial manage-  
11                         ment and other appropriate experts, an agency plan to im-  
12                         plement the 4-year financial management plan prepared  
13                         by the Director of the Office of Management and Budget  
14                         under section 3512(a)(2) of this title and to achieve and  
15                         sustain effective financial management in the agency,  
16                         which shall—

17                         “(A) be completed within 90 days after the  
18                         issuance of a governmentwide plan under such sec-  
19                         tion 3512(a)(2);

20                         “(B) be revised as determined necessary by the  
21                         Chief Financial Officer;

22                         “(C) include performance-based financial man-  
23                         agement metrics against which the financial man-  
24                         agement performance of the agency shall be as-  
25                         sessed; and

- 1                 “(D) be submitted upon completion or revision  
2                 to the head of the agency, the Director of the Office  
3                 of Management and Budget, the Comptroller Gen-  
4                 eral, and appropriate committees of Congress, and  
5                 be made publicly available;”;  
6                 (E) in paragraph (6), as so redesignated—  
7                         (i) by striking subparagraph (A);  
8                         (ii) by redesignating subparagraphs  
9                         (B) through (E) as subparagraphs (A)  
10                  through (D), respectively; and  
11                         (iii) in subparagraph (C), as so redes-  
12                  gnated, by adding “and” at the end;  
13                 (F) in paragraph (7), as so redesignated—  
14                         (i) in the matter preceding subpara-  
15                  graph (A), by striking “and the Director of  
16                  the Office of Management and Budget,”  
17                  and inserting “, the Director of the Office  
18                  of Management and Budget, the Com-  
19                  ptroller General, and appropriate commit-  
20                  tees of Congress, which shall be made pub-  
21                  licly available and”;  
22                         (ii) in subparagraph (A), by striking  
23                  “agency;” and inserting “agency, includ-  
24                  ing—

1                 “(i) the progress of the agency in imple-  
2                 menting the agency plan described in paragraph  
3                 (5);

4                 “(ii) the progress of the agency in imple-  
5                 menting the governmentwide 4-year financial  
6                 management plan prepared by the Director of  
7                 the Office of Management and Budget under  
8                 section 3512(a)(2) of this title; and

9                 “(iii) the performance of the agency  
10                against financial management metrics estab-  
11                lished by the Director of the Office of Manage-  
12                ment and Budget;”; and

13                 (iii) in subparagraph (D)—

14                         (I) by striking “of the reports”  
15                        and inserting “of—

16                         “(i) the reports”;

17                         (II) in clause (i), as so des-  
18                 ignated, by striking “the amendments  
19                 made by the Federal Managers’ Fi-  
20                 nancial Integrity Act of 1987 (Public  
21                 law 97–255); and” and inserting “sec-  
22                 tion 3512(d) of this title;”; and

23                         (III) by adding at the end the  
24                 following:

1               “(ii) agency spending data published under  
2               the Federal Funding Accountability and Trans-  
3               parency Act of 2006 (31 U.S.C. 6101 note);  
4               and

5               “(iii) the reporting of the agency under the  
6               Federal Financial Management Improvement  
7               Act of 1996 (31 U.S.C. 3512 note); and”;

8               (G) in paragraph (8), as so redesignated—

9                       (i) by striking “monitor the” and in-  
10                  sert “manage the formulation and”; and

11                       (ii) by striking “, and prepare and  
12                  submit to the head of the agency timely  
13                  performance reports; and” and inserting a  
14                  semicolon;

15               (H) by inserting after paragraph (8), as so  
16                  redesignated, the following:

17               “(9) be responsible for linking performance and cost  
18                  information, including the preparation and submission to  
19                  the head of the agency of timely performance reports that  
20                  incorporate cost information;”;

21               (I) in paragraph (10), as so redesi-  
22                  gnated—

23                       (i) by inserting “inflation and” before  
24                  “costs”; and

3 (J) by adding at the end the following:

4               “(11) coordinate with senior agency personnel,  
5               including the Chief Data Officer, Chief Information  
6               Officer, Chief Performance Officer, Chief Acquisition  
7               Officer, Chief Risk Officer, and Chief Evaluation Of-  
8               ficer of the agency on—

9                         “(A) the exercise of authorities under this  
10                         subsection; and

11                         “(B) the strategic planning, performance  
12 measurement and reporting, and risk manage-  
13 ment functions of the agency.”; and

14 (2) in section 903—

(B) by adding at the end the following:

21       “(c) Notwithstanding subchapter III of chapter 33 of  
22 title 5, in the event of a vacancy in the position of Chief  
23 Financial Officer of an agency, the Deputy Chief Finan-  
24 cial Officer of the agency shall serve as the acting Chief  
25 Financial Officer.”.

1       (b) GOVERNMENTWIDE FINANCIAL MANAGEMENT  
2 PLAN.—Section 3512 of title 31, United States Code, is  
3 amended—

4           (1) in subsection (a)—

5              (A) in paragraph (1), by striking “a financial  
6              management status report and a governmentwide  
7              5-year financial management plan”  
8              and inserting “a governmentwide 4-year financial  
9              management plan and a financial management  
10             status report”;

11              (B) by striking paragraph (2);

12              (C) by redesignating paragraph (3) as  
13             paragraph (2);

14              (D) in paragraph (2), as so redesignated—

15                (i) in subparagraph (A)—

16                  (I) by striking “5-year” and inserting “4-year”;

17                  (II) by striking “shall describe”  
18                  and inserting the following: “shall—

19                  “(i) describe”;

20                  (III) in clause (i), as so designated,  
21                  by striking “5 fiscal years to  
22                  improve the financial management of  
23                  the Federal Government.” and inserting  
24                  “4 fiscal years to improve the fi-

1                   nancial management of the Federal  
2                   Government in a manner that is stra-  
3                   tegic, comprehensive, and cost-effic-  
4                   tive; and”;

5                   (IV) by adding at the end the fol-  
6                   lowing:

7                   “(ii) be developed in consultation with the  
8                   Chief Financial Officers Council, the Chief In-  
9                   formation Officers Council, the Chief Data Offi-  
10                  cer Council, the Chief Acquisition Officers  
11                  Council, the Council of the Inspectors General  
12                  on Integrity and Efficiency, the Government  
13                  Accountability Office, and, as appropriate, other  
14                  councils and financial management experts.”;  
15                  and

16                  (ii) in subparagraph (B)—

17                  (I) in the matter preceding clause  
18                  (i), by striking “5-year” and inserting  
19                  “4-year”;

20                  (II) in clause (iii)—

21                  (aa) by striking “for devel-  
22                  oping” and inserting “for im-  
23                  proving financial management  
24                  systems, including—

25                  “(I) developing”; and

1 (bb) by adding at the end  
2 the following:

3 “(II) linking performance and cost in-  
4 formation to facilitate effective and effi-  
5 cient decision making;

“(III) eliminating duplicative and unnecessary systems and activities; and

8                             “(IV) identifying opportunities for  
9                             agencies to share systems and services and  
0                             encouraging agencies to do so where prac-  
1                             ticable;”;

(III) by striking clause (iv);

13 (IV) by redesignating clause (v)  
14 as clause (iv);

15 (V) by inserting after clause (iv),  
16 as so redesignated, the following:

17                         “(v) provide a strategy for reporting per-  
18                         formance and cost information;”;

19 (VI) in clause (vi), by striking  
20 “5-year” and inserting “4-year”:

1 (VIII) in clause (viii), by striking  
2 “and” at the end;

3 (IX) by redesignating clause (ix)  
4 as clause (x);

5 (X) by inserting after clause  
6 (viii) the following:

7                         “(ix) include comprehensive financial man-  
8                         agement performance-based metrics against  
9                         which the financial management performance of  
10                        executive agencies can be assessed; and”; and

(XI) in clause (x), as so redesignated, by striking “5-year” and inserting “4-year”;

14 (E) by inserting after paragraph (2) the  
15 following:

16       “(3) A financial management status report under this  
17 subsection shall include—

18               “(A) a description and analysis of the status of  
19 financial management in the executive branch, in-  
20 cluding the progress made towards implementing the  
21 governmentwide 4-year financial management plan,  
22 the status of remaining challenges, and, as necessary  
23 based on obligations or expenditures, any update or  
24 revision to the cost estimates included in the most

1 recent governmentwide 4-year financial management  
2 plan;

3 “(B) a summary of the performance of agencies  
4 against the metrics developed and identified by the  
5 Director of the Office of Management and Budget in  
6 the governmentwide 4-year financial management  
7 plan;

8 “(C) a summary of the most recently completed  
9 financial statements—

10 “(i) of Federal agencies under section  
11 3515 of this title; and

12 “(ii) of Government corporations;

13 “(D) a summary of the most recently completed  
14 financial statement audits and reports—

15 “(i) of Federal agencies under subsections  
16 (e) and (f) of section 3521 of this title; and

17 “(ii) of Government corporations;

18 “(E) a summary of reports on internal account-  
19 ing and administrative control systems submitted to  
20 the President and Congress under subsection (d);

21 “(F) a listing of agencies whose financial man-  
22 agement systems do not comply substantially with  
23 the requirements of section 803(a) of the Federal  
24 Financial Management Improvement Act of 1996  
25 (31 U.S.C. 3512 note), and a summary statement of

1       the efforts underway to remedy the noncompliance;  
2       and

3           “(G) any other information the Director con-  
4       siders appropriate to fully inform Congress regard-  
5       ing the financial management of the Federal Gov-  
6       ernment.”;

7           (F) in paragraph (4)—

8              (i) in subparagraph (A)—

9                  (I) by striking “15 months after  
10       the date of the enactment of this sub-  
11       section” and inserting “6 months  
12       after the date of the enactment of the  
13       CFO Vision Act of 2022”; and

14                  (II) by striking “5-year” and in-  
15       serting “4-year”; and

16              (ii) in subparagraph (B)—

17                  (I) in clause (i)—

18                  (aa) by striking “Not later  
19       than January 31 of each year  
20       thereafter” and inserting “At a  
21       minimum, concurrently with the  
22       submission of the budget of the  
23       United States Government under  
24       section 1105(a) of this title made  
25       in the first full fiscal year fol-

1 lowing any year in which the  
2 term of the President commences  
3 under section 101 of title 3";

4 (bb) by striking "financial  
5 management status report and a  
6 revised governmentwide 5-year"  
7 and inserting "governmentwide  
8 4-year"; and

9 (cc) by striking "5 fiscal  
10 years" and all that follows  
11 through the period at the end  
12 and inserting "4 fiscal years.";  
13 and

14 (II) in clause (ii)—

15 (aa) by striking "revised  
16 governmentwide 5-year" and in-  
17 serting "governmentwide 4-year";  
18 and

19 (bb) by striking "paragraph  
20 (3)(B)(viii)" and inserting "para-  
21 graph (2)(B)(viii)"; and

22 (iii) by adding at the end the fol-  
23 lowing:

24 "(C) Each year, concurrently with the submis-  
25 sion of the budget of the United States Government

under section 1105(a) of this title, the Director of the Office of Management and Budget shall submit to the appropriate committees of Congress and the Comptroller General a financial management status report.”; and

6 (G) by striking paragraph (5);

7 (2) in subsection (d)(2)—

10 (B) in subparagraph (B), by striking the  
11 period at the end and inserting “; and”; and

12 (C) by adding at the end the following:

13               “(C) a separate report on the results of the as-  
14               essment and conclusion required under subsection  
15               (e)(2).”;

16 (3) by redesignating subsections (e), (f), and  
17 (g) as subsections (f), (g), and (h), respectively; and

20        "(e) The head of each executive agency shall—

21           “(1) in establishing the internal accounting and  
22        administrative controls under subsection (c), identify  
23        the key financial management information needed  
24        for effective financial management and decision  
25        making; and

1           “(2) annually assess and make a conclusion on  
2       the effectiveness of the internal controls of the exec-  
3       utive agency over financial reporting and key finan-  
4       cial management information identified under para-  
5       graph (1).”.

6       (c) AUDITS BY AGENCIES.—Section 3521 of title 31,  
7       United States Code, is amended—

8           (1) in subsection (e)—  
9              (A) by striking paragraphs (1) and (2);  
10             (B) by striking “(e) Each financial” and  
11       inserting “(e)(1) Each financial”;

12             (C) in paragraph (1), as so designated, by  
13       striking “standards—” and inserting “stand-  
14       ards.”; and

15             (D) by inserting after paragraph (1), as so  
16       designated, the following:

17       “(2) As part of each audit under this subsection, the  
18       auditor shall—

19             “(A) evaluate the design of the internal control  
20       of the agency over financial reporting and key finan-  
21       cial information, as assessed and reported on by the  
22       head of the agency under section 3512(d)(2)(C) of  
23       this title;

24             “(B) determine whether those controls have  
25       been implemented;

1           “(C) for controls that are properly designed and  
2 implemented, perform sufficient tests of those con-  
3 trols to conclude whether the controls are operating  
4 effectively, including sufficient tests to support a low  
5 level of assessed control risk; and

6           “(D) communicate controls that the auditor  
7 concludes are not suitably designed and implemented  
8 or are not operating effectively, as appropriate under  
9 applicable generally accepted government auditing  
10 standards.

11          “(3) Audits under this subsection shall be con-  
12 ducted—

13           “(A) in the case of an agency having an Inspec-  
14 tor General appointed under the Inspector General  
15 Act of 1978 (5 U.S.C. App.), by the Inspector Gen-  
16 eral or by an independent external auditor, as deter-  
17 mined by the Inspector General of the agency; and

18           “(B) in any other case, by an independent ex-  
19 ternal auditor, as determined by the head of the  
20 agency.”; and

21           (2) in subsection (h), by striking “section  
22 3512(a)(3)(B)(viii)” and inserting “section  
23 3512(a)(2)(B)(viii)”.

1           (d) TECHNICAL AND CONFORMING AMENDMENT.—  
2 Section 3348(e) of title 5, United States Code, is amend-  
3 ed—  
4               (1) in paragraph (3), by adding “or” at the  
5 end;  
6               (2) by striking paragraph (4); and  
7               (3) by redesignating paragraph (5) as para-  
8 graph (4).

○